

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Financial Statement With Independent Auditors' Report

For the Year Ended June 30, 2015

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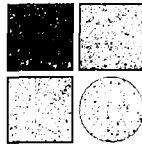
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Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 315 Colby, Kansas
Colby, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 315 Colby, Kansas**, as of and for the year ended June 30, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statement is prepared by **Unified School District No. 315 Colby, Kansas** to meet the requirements of the State of Kansas on the basis of the financial reporting provisions

of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 315 Colby, Kansas** as of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Unified School District No. 315 Colby, Kansas** as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* as described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we rendered an unmodified opinion dated November 16, 2015. The 2014 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014

basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statement. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2015, on our consideration of **Unified School District No. 315 Colby, Kansas'** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Unified School District No. 315 Colby, Kansas'** internal control over financial reporting and compliance.



ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

November 16, 2015

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2015

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds							
General Funds							
General Fund	\$ -	-	6,225,560	6,225,560	-	17,978	17,978
Supplemental General Fund	116,152	-	2,114,283	2,176,376	54,059	31,565	85,624
Special Purpose Funds							
Bilingual Education Fund	8,938	-	20,030	27,956	1,012	-	1,012
Capital Outlay Fund	100,396	-	647,903	681,116	67,183	42,849	110,032
Driver Education Fund	20,819	-	11,017	17,160	14,676	298	14,974
Food Service Fund	112,139	-	462,771	461,334	113,576	120	113,696
Professional Development Fund	48,354	-	37,136	37,890	47,600	729	48,329
Special Education Fund	254,148	-	1,385,817	1,385,595	254,370	5,898	260,268
Vocational Education Fund	112,502	-	370,741	365,934	117,309	1,360	118,669
KPERs Special Retirement Contribution Fund	-	-	470,080	470,080	-	-	-
Contingency Reserve Fund	458,137	-	1	-	458,138	-	458,138
At Risk (K-12) Fund	138,180	-	592,640	604,673	126,147	-	126,147
Textbook Rental Fund	77	-	40,284	39,485	876	7,160	8,036
Title I Low Income Fund	8,281	-	113,615	112,910	8,986	939	9,925
Title I - Migrant Fund	-	-	25,000	25,000	-	-	-
Title IIA Teacher Quality Fund	11,066	-	45,047	44,680	11,433	6,936	18,369
Career and Technical Education Grant Fund	-	-	41,392	41,392	-	1,035	1,035
21st Century Community Learning Center Fund	23,843	-	97,217	94,750	26,310	399	26,709
KS Safe Schools Grant Fund	-	-	2,500	-	2,500	-	2,500
Virtual Education Fund	19,108	-	28,505	39,226	8,387	5,938	14,325
District Activity Funds	172,681	-	229,239	252,909	149,011	-	149,011
Bond and Interest Fund							
Bond and Interest Fund	133,550	-	69,037	-	202,587	-	202,587
Business Fund							
District Insurance Pool Fund	753,187	-	1,352,580	1,801,140	304,627	-	304,627
Trust Fund							
Private Purpose Trust Fund	77,658	-	3,072	13,393	67,337	1,654	68,991
Total Reporting Entity (Excluding Agency Funds)	\$ 2,569,216	-	14,385,467	14,918,559	2,036,124	124,858	2,160,982
Composition of Cash				Checking Accounts	\$ 2,188,401		
				Savings Accounts	8,043		
				NOW Accounts	787		
				Certificates of Deposit	60,000		
				Petty Cash	1,500		
				Cash on Hand	200		
				Total Cash	2,258,931		
				Agency Funds per Schedule 3	(97,949)		
				Total Reporting Entity (Excluding Agency Funds)	\$ 2,160,982		

The notes to the financial statement are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 315 Colby, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

Financial Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. A related municipal entity is an entity established to benefit the District and/or its constituents. The District has no related municipal entities.

Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2015.

Regulatory Basis Fund Types

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund – fund financed in whole or in part by fees charged to users of the goods or services (enterprise and internal service funds).

Trust Fund – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

Basis of Accounting

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

Departure From Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the District are not presented in the financial statement. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, and temporary notes are not presented in the financial statement.

Property Tax Calendar

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the District for special purposes.

Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

NOTE 2 – BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Contingency Reserve Fund, Textbook Rental Fund, Title I Low Income Fund, Title I – Migrant Fund, Title IIA Teacher Quality Fund, Career and Technical Education Grant Fund, 21st Century Community Learning Center Fund, KS Safe Schools Grant Fund, and District Activity Funds.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 3 – DEPOSITS AND INVESTMENTS

Unified School District No. 315 Colby, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not use "peak periods". All deposits were legally secured at June 30, 2015.

At June 30, 2015, the District's carrying amount of deposits was \$2,258,931 and the bank balance was \$2,395,007. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$733,755 was covered by federal depository insurance and \$1,661,252 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

NOTE 4 – IN-SUBSTANCE RECEIPT IN TRANSIT

Unified School District No. 315 Colby, Kansas received \$422,558 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 315 Colby, Kansas'** interfund transfers and regulatory authority for the year ended June 30, 2015 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Special Education Fund	K.S.A. 72-6428	\$ 825,119
General Fund	Vocational Education Fund	K.S.A. 72-6428	365,577
General Fund	Bilingual Education Fund	K.S.A. 72-6428	20,030
General Fund	At Risk (K-12) Fund	K.S.A. 72-6428	592,640
General Fund	Virtual Education Fund	K.S.A. 72-6428	28,505
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	540,905
Supplemental General Fund	Food Service Fund	K.S.A. 72-6433	116,209
Supplemental General Fund	Professional Development Fund	K.S.A. 72-6433	26,000

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

NOTE 6 – LITIGATION

Unified School District No. 315 Colby, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the District.

NOTE 7 – RISK MANAGEMENT

Unified School District No. 315 Colby, Kansas carries commercial insurance for risks of loss, including property, general liability, inland marine, automobile, worker's compensation, employee theft, public officials and employment practices liability, umbrella, employee dishonesty, and prize reimbursement. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 8 – GRANTS AND SHARED REVENUES

Unified School District No. 315 Colby, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Unified School District No. 315 Colby, Kansas did not make mandatory purchases of products and services offered by Kansas industries for the blind and severely disabled in accordance with K.S.A. 75-3317 through 75-3322.

NOTE 10 – DEFERRED COMPENSATION PLAN

Unified School District No. 315 Colby, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 403(b). Employees working over 17 hours a week are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

NOTE 11 – DEFINED BENEFIT PENSION PLAN

Plan Description

Unified School District No. 315 Colby, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, etc. seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

established the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members through December 31, 2014. As of January 1, 2015, the member-employee contribution rate increased to 6% of covered salary for Tier 1 members. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share.

Net Pension Liability

The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014 the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$7,932,423 as of June 30, 2014. The complete actuarial valuation report including all actuarial assumptions and methods is publically available on the website at www.kpers.org or can be obtained as described in the first paragraph above.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **Unified School District No. 315 Colby, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

NOTE 13 – SELF INSURANCE PLANS

Health Care Coverage

On January 1, 2015, the District changed from their self-insurance plan to a fully funded insurance plan, both administered through Blue Cross Blue Shield of Kansas, Inc. Beginning on March 1, 2015, the District switched from Blue Cross Blue Shield of Kansas, Inc. to the fully funded Kansas Department of Health and Environment State Employee Health Plan (SEHP).

From July 01, 2014 through December 31, 2014, employees of the District were covered by the District's medical self-insurance plan (the "plan"). The District's plan is a paid contract, with all unused reserved funds classified as unencumbered at the fiscal year end. The monthly premium contributed is approximately \$1,025 per family and \$555 per individual. The District contributes \$525 per month per participating employee, with the employee paying the difference through authorized payroll withholdings. Claims were paid by a third party administrator acting on behalf of the District. The administration contract between the District and the third party administration fees are included in the contractual provisions. The District was protected against unanticipated catastrophic individual loss or aggregate loss by stop loss coverage carried through Blue Cross Blue Shield. Stop loss coverage was in effect for claims exceeding \$50,000 per individual and \$596,599 in the aggregate.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

Self-Insurance Liability	Current Year Beginning of Fiscal Year Liability	Claims and Changes in Estimates
2015	\$ 297,500	608,684

Claim Payment	Balance At Fiscal Year-End	Assets Available to Pay Claims at June 30
\$ 906,184	-	304,627

NOTE 14 – EARLY RETIREMENT

Professional employees may retire from the District at the end of any contract year in which they meet the eligibility requirements. The requirements include the following: 1) the employee is currently a professional employee of the district, 2) the employee is not less than 55 years of age, or meets the KPERS provision for early retirement, and 3) the employee has at least 10 years of employment in the District immediately prior to the request for early retirement, and a majority of the 10 years of service have been full-time. Employees who are qualified are entitled to the following benefits: A) a monthly amount of \$150, which may only be applied toward health and accident coverage. This benefit will continue during the period when the employee is receiving early retirement benefits from the District. B) Additional coverage may be purchased for family members who qualify for such benefits. C) Payments shall be made beginning with the July payroll of the year the retiree is eligible to begin receiving benefits. The yearly benefit is computed by applying various percentages based on the year of retirement to the employee's highest salary as determined by KPERS. D) The maximum number of years a retiree can receive this benefit is 10. The benefits end in the contract year in which the retiree reaches 65 years of age, or on the death of the retiree, in which case the benefits will be pro-rated on a daily basis beginning with July 1 of the contract year in which the death occurs. During the year ended June 30, 2015, payments to early retirees totaled \$63,798, and the cost of insurance benefits for year ended June 30, 2015, totaled \$14,400.

NOTE 15 – COMPENSATED ABSENCES

Discretionary Leave

All licensed staff receive two days of discretionary leave per contract year. After receiving tenure with the District, three days of discretionary leave per year are available. After 10 years of full-time certified employment, 4 days of discretionary leave per year are available. Any unused discretionary leave is placed in the individual's sick leave at the end of the contract year.

Sick Leave

All staff working above 15 hours a week qualify for sick leave. Both licensed and 12 month classified staff receive 10 days sick leave per year, which is applicable to their own personal illness/injury, their children, spouse, parents, and accumulative to a maximum of 90 days; however, no teacher will begin a contract year with more than 80 days.

Licensed personnel with 15 years of service to USD 315 are compensated for 10 days of unused sick leave (if available) upon leaving the District. The rate of compensation is the current daily substitute rate (2014-15 \$90/day). The potential liability for sick leave at June 30, 2015 was \$13,500. This is not reflected in the financial statement.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Notes to Financial Statement

June 30, 2015

A sick leave bank is available to licensed non-administrative personnel. Participation is voluntary, and staff is eligible to participate upon accumulation of one day of sick leave. Participation will commence upon the deposit of one day of sick leave to the sick leave bank, and annual deposits are made until five days have been deposited. The bank's capacity is 400 days, and deposits made in excess of the 400 days are forfeited. Staff members who have more than 70 days of sick leave accumulated at the end of the school year may donate up to three of their excess days to the bank. Participants may request days from the bank after exhausting their available sick leave and making a one day salary deduction.

In addition, two days of emergency leave may be granted for emergencies at the discretion of the supervisor. Emergency leave is not cumulative. Three days of bereavement leave is available per occurrence for leave due to death of the staff member's immediate family (parent, grandparent, sibling, spouse, child, and grandchild). All clerical staff receive one day of discretionary leave per year.

NOTE 16 – LONG-TERM DEBT

Unified School District No. 315 Colby, Kansas has the following type of long-term debt.

Lease Obligations

The District has entered into a lease agreement for equipment with an option to purchase at the expiration of the lease term. The lease contains a fiscal funding clause.

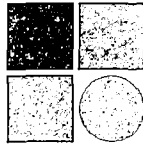
UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Notes to Financial Statement
June 30, 2015

Changes in long-term liabilities for the District for the year ended June 30, 2015, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Capital Lease									
Energy Improvements		6/27/13	\$ 900,000	2/1/16	\$ 600,000	-	300,000	300,000	14,203

Current maturities of long-term debt and interest for the next year through maturity is as follows:

	<u>YEAR</u> <u>2016</u>
Principal	
Capital Lease	\$ 300,000
Interest	
Capital Lease	<u>14,203</u>
Total Principal and Interest	<u><u>\$ 314,203</u></u>



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Education
Unified School District No. 315 Colby, Kansas
Colby, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Unified School District No. 315 Colby, Kansas**, as of and for the year ended June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated November 16, 2015. The report on the audited financial statement was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Unified School District No. 315 Colby, Kansas'** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 315 Colby, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 315 Colby, Kansas'** internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 315 Colby, Kansas' financial statement is free from material misstatement, we performed tests of its compliance with certain

have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

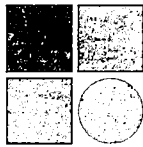
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Adams, Brown, Beran & Ball, Chtd

ADAMS, BROWN, BERAN & BALL, CHTD.

Certified Public Accountants

November 16, 2015



Certified
Public
Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Education
Unified School District No. 315 Colby, Kansas
Colby, Kansas

Report on Compliance for Each Major Federal Program

We have audited **Unified School District No. 315 Colby, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of **Unified School District No. 315 Colby, Kansas'** major federal programs for the year ended June 30, 2015. **Unified School District No. 315 Colby, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of **Unified School District No. 315 Colby, Kansas'** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the *Kansas Municipal Audit and Accounting Guide*; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Unified School District No. 315 Colby, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of **Unified School District No. 315 Colby, Kansas'** compliance.

Opinion on Each Major Federal Program

In our opinion, **Unified School District No. 315 Colby, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of **Unified School District No. 315 Colby, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered **Unified School District No. 315 Colby, Kansas'** internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 315 Colby, Kansas'** internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Adams, Brown Beran & Ball, Chtd

ADAMS, BROWN, BERAN & BALL, CHTD.

Certified Public Accountants

November 16, 2015

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Regulatory-Required Supplementary Information

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds						
General Funds						
General Fund	\$ 6,306,109	(168,783)	88,234	6,225,560	6,225,560	-
Supplemental General Fund	2,185,535	(9,159)		2,176,376	2,176,376	-
Special Purpose Funds						
Bilingual Education Fund	28,067	-	-	28,067	27,956	(111)
Capital Outlay Fund	807,646	-	-	807,646	681,116	(126,530)
Driver Education Fund	18,054	-	-	18,054	17,160	(894)
Food Service Fund	558,846	-	-	558,846	461,334	(97,512)
Professional Development Fund	58,070	-	-	58,070	37,890	(20,180)
Special Education Fund	1,501,967	-	-	1,501,967	1,385,595	(116,372)
Vocational Education Fund	366,226	-	-	366,226	365,934	(292)
KPERS Special Retirement Contribution Fund	609,450	-	-	609,450	470,080	(139,370)
At Risk (K-12) Fund	610,131	-	-	610,131	604,673	(5,458)
Virtual Education Fund	39,226	-	-	39,226	39,226	-

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 1,312,562	-	-	-
Delinquent Tax	33,116	-	-	-
Mineral Severance Tax	3,175	548	-	548
Severance Tax	-	3,501	-	3,501
In Lieu of Tax	11,479	-	-	-
Intergovernmental Revenues				
Equalization State Aid	4,109,408	4,435,408	5,372,648	(937,240)
Special Education State Aid	834,559	784,023	933,461	(149,438)
Mill Levy State Aid	-	913,846	-	913,846
Other State Aid	640	3,533	-	3,533
Federal Aid - Medical Assistance Program	12,787	9,549	-	9,549
Reimbursements	51,587	75,152	-	75,152
Total Receipts	6,369,313	6,225,560	6,306,109	(80,549)
Expenditures				
Instruction	2,612,269	2,552,641	2,678,876	(126,235)
Student Support Services	84,363	75,699	86,663	(10,964)
Instructional Support Services	277,252	248,982	212,802	36,180
General Administration	218,720	219,453	222,760	(3,307)
School Administration	444,288	482,601	488,716	(6,115)
Operations and Maintenance	550,008	387,492	462,755	(75,263)
Transportation	308,263	301,352	231,320	70,032
Other Supplemental Services	122,014	125,469	182,618	(57,149)
Transfers Out	1,752,136	1,831,871	1,739,599	92,272
Adjustment to Comply with Legal Max	-	-	(168,783)	168,783
Legal General Fund Budget	6,369,313	6,225,560	6,137,326	88,234
(a) Adjustment for Qualifying Budget Credits	-	-	88,234	(88,234)
Total Expenditures	6,369,313	6,225,560	6,225,560	-
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	\$ -	-		
(a) Adjustment for Qualifying Budget Credits				
Reimbursed Expenses Over Amount Budgeted			\$ 75,152	
State Aid Over Amount Budgeted			3,533	
Federal Aid Over Amount Budgeted			9,549	
Total			\$ 88,234	

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 1,442,369	1,259,122	1,145,793	113,329
Delinquent Tax	38,214	16,174	20,664	(4,490)
Motor Vehicle Tax	198,924	228,624	160,130	68,494
Recreational Vehicle Tax	2,690	2,863	2,118	745
In Lieu of Tax	12,003	2,347	-	2,347
Excise Tax	411	342	-	342
Intergovernmental Revenues				
Equalization Aid	601,874	604,811	740,678	(135,867)
Total Receipts	2,296,485	2,114,283	2,069,383	44,900
Expenditures				
Instruction	503,035	536,158	636,627	(100,469)
Student Support Services	33,555	22,095	38,981	(16,886)
Instructional Support Services	208,219	196,252	243,268	(47,016)
General Administration	12,672	13,688	17,666	(3,978)
School Administration	74,538	81,352	81,733	(381)
Operations and Maintenance	482,585	609,734	654,398	(44,664)
Other Supplemental Services	39,547	33,983	38,090	(4,107)
Transfers Out	852,840	683,114	474,772	208,342
Adjustment to Comply with Legal Max	-	-	(9,159)	9,159
Total Expenditures	2,206,991	2,176,376	2,176,376	-
Receipts Over (Under) Expenditures	89,494	(62,093)		
Unencumbered Cash - Beginning	26,658	116,152		
Unencumbered Cash - Ending	\$ 116,152	54,059		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Bilingual Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ 20,000	20,030	20,000	30
Miscellaneous Income	40	-	-	-
Total Receipts	20,040	20,030	20,000	30
Expenditures				
Instruction	29,546	27,956	28,067	(111)
Receipts Over (Under) Expenditures	(9,506)	(7,926)		
Unencumbered Cash - Beginning	18,444	8,938		
Unencumbered Cash - Ending	\$ 8,938	1,012		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Capital Outlay Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Ad Valorem Tax	\$ 476,116	576,632	547,158	29,474
Delinquent Tax	1,023	2,104	6,973	(4,869)
Motor Vehicle Tax	11,450	6,525	27,672	(21,147)
Recreational Vehicle Tax	151	39	366	(327)
In Lieu of Tax	1,072	1,083	-	1,083
Excise Tax	26	82	-	82
School District Capital Outlay State Aid	-	45,873	84,333	(38,460)
Interest on Idle Funds	1,792	1,027	2,500	(1,473)
Other Revenue From Local Sources	-	9,687	40,000	(30,313)
Reimbursements	8,173	351	-	351
Rent	-	4,500	-	4,500
Total Receipts	499,803	647,903	709,002	(61,099)
Expenditures				
Instruction	73,578	125,594	162,097	(36,503)
Support Services	28,920	37,420	172,755	(135,335)
Transportation	10,399	4,289	-	4,289
Operations and Maintenance	354,669	431,002	472,794	(41,792)
Site Improvement	13,860	82,811	-	82,811
Total Expenditures	481,426	681,116	807,646	(126,530)
Receipts Over (Under) Expenditures	18,377	(33,213)		
Unencumbered Cash - Beginning	82,019	100,396		
Unencumbered Cash - Ending	\$ 100,396	67,183		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Driver Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Revenue				
State Aid	\$ 3,400	4,464	4,250	214
Fees	7,452	6,553	7,290	(737)
Total Receipts	<u>10,852</u>	<u>11,017</u>	<u>11,540</u>	<u>(523)</u>
Expenditures				
Instruction	8,143	16,397	17,109	(712)
Operations and Maintenance	643	763	945	(182)
Total Expenditures	<u>8,786</u>	<u>17,160</u>	<u>18,054</u>	<u>(894)</u>
Receipts Over (Under) Expenditures	2,066	(6,143)		
Unencumbered Cash - Beginning	<u>18,753</u>	<u>20,819</u>		
Unencumbered Cash - Ending	\$ <u>20,819</u>	<u>14,676</u>		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Food Service Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Revenues				
State Aid	\$ 4,345	4,054	3,722	332
Federal Aid	187,395	186,193	184,157	2,036
Grant Income	-	1,000	-	1,000
Charges for Services	176,837	155,315	186,637	(31,322)
Transfers In	130,000	116,209	79,309	36,900
Total Receipts	498,577	462,771	453,825	8,946
Expenditures				
Food Service Operation	507,005	461,334	558,846	(97,512)
Receipts Over (Under) Expenditures	(8,428)	1,437		
Unencumbered Cash - Beginning	120,567	112,139		
Unencumbered Cash - Ending	\$ 112,139	113,576		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Professional Development Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Federal Aid	\$ 1,850	-	-	-
State Aid	1,425	-	-	-
Miscellaneous Income	17,561	11,136	18,752	(7,616)
Transfers In	-	26,000	-	26,000
Total Receipts	<u>20,836</u>	<u>37,136</u>	<u>18,752</u>	<u>18,384</u>
Expenditures				
Instructional Support Services	74,155	36,323	58,070	(21,747)
Other Supplemental Services	889	1,567	-	1,567
Total Expenditures	<u>75,044</u>	<u>37,890</u>	<u>58,070</u>	<u>(20,180)</u>
Receipts Over (Under) Expenditures	(54,208)	(754)		
Unencumbered Cash - Beginning	<u>102,562</u>	<u>48,354</u>		
Unencumbered Cash - Ending	\$ <u>48,354</u>	<u>47,600</u>		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Special Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Other Revenue From Local Sources	\$ 5,175	19,499	3,881	15,618
Reimbursements	-	294	-	294
Transfers In	1,234,559	1,366,024	1,334,462	31,562
Total Receipts	<u>1,239,734</u>	<u>1,385,817</u>	<u>1,338,343</u>	<u>47,474</u>
Expenditures				
Instruction	1,159,799	1,127,563	1,237,513	(109,950)
Student Support Services	165,982	181,905	174,958	6,947
Instructional Support Services	29,817	22,763	32,629	(9,866)
School Administration	28,525	30,877	37,497	(6,620)
Student Transportation Services	27,554	22,487	19,370	3,117
Total Expenditures	<u>1,411,677</u>	<u>1,385,595</u>	<u>1,501,967</u>	<u>(116,372)</u>
Receipts Over (Under) Expenditures	(171,943)	222		
Unencumbered Cash - Beginning	<u>426,091</u>	<u>254,148</u>		
Unencumbered Cash - Ending	\$ <u>254,148</u>	<u>254,370</u>		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Vocational Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 551	669	1,350	(681)
Federal Aid	-	100	-	100
Reimbursements	-	4,395	-	4,395
Transfers In	325,317	365,577	287,545	78,032
Total Receipts	<u>325,868</u>	<u>370,741</u>	<u>288,895</u>	<u>81,846</u>
Expenditures				
Instruction	329,438	359,991	358,859	1,132
Operations and Maintenance	5,894	5,943	7,367	(1,424)
Total Expenditures	<u>335,332</u>	<u>365,934</u>	<u>366,226</u>	<u>(292)</u>
Receipts Over (Under) Expenditures	(9,464)	4,807		
Unencumbered Cash - Beginning	<u>121,966</u>	<u>112,502</u>		
Unencumbered Cash - Ending	<u>\$ 112,502</u>	<u>117,309</u>		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
KPERS Special Retirement Contribution Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Revenue				
State Aid	\$ 499,549	470,080	609,450	(139,370)
Expenditures				
Instruction	314,716	296,151	379,684	(83,533)
Student Support	19,982	18,803	26,423	(7,620)
Instructional Support	29,973	28,205	37,437	(9,232)
General Administration	14,987	14,102	18,092	(3,990)
School Administration	24,977	23,504	33,964	(10,460)
Other Supplemental Services	4,995	4,701	7,946	(3,245)
Operations and Maintenance	39,964	37,606	47,089	(9,483)
Student Transportation Services	14,987	14,102	18,187	(4,085)
Food Service	34,968	32,906	40,628	(7,722)
Total Expenditures	<u>499,549</u>	<u>470,080</u>	<u>609,450</u>	<u>(139,370)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	<u>\$ -</u>	<u>-</u>		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Contingency Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Miscellaneous Income	\$ -	1
Expenditures		
Operations	95,566	-
Receipts Over (Under) Expenditures	(95,566)	1
Unencumbered Cash - Beginning	553,703	458,137
Unencumbered Cash - Ending	\$ 458,137	458,138

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
At-Risk (K-12) Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ 550,000	592,640	472,640	120,000
Expenditures				
Instruction	525,142	519,477	526,058	(6,581)
Student Support Services	80,152	85,196	84,073	1,123
Total Expenditures	605,294	604,673	610,131	(5,458)
Receipts Over (Under) Expenditures	(55,294)	(12,033)		
Unencumbered Cash - Beginning	193,474	138,180		
Unencumbered Cash - Ending	\$ 138,180	126,147		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Textbook Rental Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Book Rental Fees	\$ 39,848	40,284
Expenditures		
Instruction	62,565	39,485
Receipts Over (Under) Expenditures	(22,717)	799
Unencumbered Cash - Beginning	22,794	77
Unencumbered Cash - Ending	\$ 77	876

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Title I Low Income Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental Revenues		
Federal Aid	\$ 111,886	113,615
Expenditures		
Instruction	120,877	112,910
Receipts Over (Under) Expenditures	(8,991)	705
Unencumbered Cash - Beginning	17,272	8,281
Unencumbered Cash - Ending	\$ 8,281	8,986

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Title I - Migrant Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental Revenues		
Federal Aid	\$ 25,000	25,000
Expenditures		
Instruction	10,860	15,463
Administration	14,140	9,537
Total Expenditures	25,000	25,000
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Title IIA Teacher Quality Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental Revenue		
Federal Aid	\$ 44,999	45,047
Expenditures		
Instruction	45,017	44,680
Receipts Over (Under) Expenditures	(18)	367
Unencumbered Cash - Beginning	11,084	11,066
Unencumbered Cash - Ending	\$ 11,066	11,433

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Career and Technical Education Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental Revenue		
Federal Aid	\$ 22,462	41,392
Expenditures		
Curriculum Development	22,462	41,392
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
21st Century Community Learning Center Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental Revenues		
Federal Aid	\$ 158,324	75,000
Student Fees	3,375	22,217
Total Receipts	161,699	97,217
Expenditures		
Instruction	136,830	94,750
Receipts Over (Under) Expenditures	24,869	2,467
Unencumbered Cash - Beginning	(1,026)	23,843
Unencumbered Cash - Ending	\$ 23,843	26,310

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
KS Safe Schools Grant Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Grant Income	\$ 500	2,500
Expenditures		
Curriculum Development	1,000	-
Receipts Over (Under) Expenditures	(500)	2,500
Unencumbered Cash - Beginning	500	-
Unencumbered Cash - Ending	\$ -	2,500

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Virtual Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ 22,260	28,505	20,415	8,090
Expenditures				
Instruction	9,202	39,226	39,226	-
Receipts Over (Under) Expenditures	13,058	(10,721)		
Unencumbered Cash - Beginning	6,050	19,108		
Unencumbered Cash - Ending	\$ 19,108	8,387		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 12,720	-	-	-
Delinquent Tax	11,298	3,411	-	3,411
Motor Vehicle Tax	53,982	64,748	31,451	33,297
Recreational Vehicle Tax	726	838	416	422
In Lieu of Tax	2,798	-	-	-
Excise Tax	113	40	-	40
Intergovernmental Revenue				
State Aid	95,918	-	-	-
Other Revenue From Local Sources	-	-	15,000	(15,000)
Total Receipts	177,555	69,037	46,867	22,170
Expenditures				
Principal	525,000	-	-	-
Interest	7,875	-	-	-
Total Expenditures	532,875	-	-	-
Receipts Over (Under) Expenditures	(355,320)	69,037		
Unencumbered Cash - Beginning	488,870	133,550		
Unencumbered Cash - Ending	\$ 133,550	202,587		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
District Insurance Pool Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental Revenue		
Insurance Premiums	\$ 1,274,297	1,351,668
Interest on Idle Funds	4,037	760
Miscellaneous Income	20	152
Transfers In	322,840	-
Total Receipts	1,601,194	1,352,580
Expenditures		
Insurance Claims	1,763,167	1,801,140
Receipts Over (Under) Expenditures	(161,973)	(448,560)
Unencumbered Cash - Beginning	915,160	753,187
Unencumbered Cash - Ending	\$ 753,187	304,627

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Private Purpose Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	Prior Year Actual	Current Year Actual
Receipts		
Memorials/Donations	\$ 4,045	2,875
Interest on Idle Funds	267	197
Total Receipts	4,312	3,072
Expenditures		
Scholarships	6,400	13,393
Receipts Over (Under) Expenditures	(2,088)	(10,321)
Unencumbered Cash - Beginning	79,746	77,658
Unencumbered Cash - Ending	\$ 77,658	67,337

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Agency Funds

Summary of Receipts and Disbursements

Regulatory Basis

For the Year Ended June 30, 2015

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School				
Band Club	\$ 5,006	11,623	12,329	4,300
CHS Singers	320	-	180	140
Cheerleader Club	2,323	6,943	8,162	1,104
Drill Team	2,062	7,875	9,312	625
Drama	4,190	2,995	2,548	4,637
Choir Club	14	143	140	17
Cosmic Crayon	484	300	237	547
FCCLA	741	-	-	741
FFA	3,095	26,634	25,499	4,230
Eagle Talon	5,239	2,652	1,226	6,665
Forensics	2,985	7,369	9,049	1,305
National Honor Society	1,720	1,698	1,380	2,038
Tech Lab	3,343	-	89	3,254
Service Club	490	1,196	549	1,137
International Club	713	395	829	279
Student Council	4,026	5,412	6,756	2,682
SADD	670	-	670	-
Class of 2015	1,902	-	1,902	-
Class of 2016	24	16,671	15,727	968
Class of 2017	55	331	-	386
Supporting Our Students	667	-	667	-
Scholars Bowl	559	620	720	459
Musical Festival	2,339	2,946	2,655	2,630
Career Center Special	2,301	569	718	2,152
Money Market Interest	91	69	-	160
Senior Video	697	-	-	697
Total High School	\$ 46,056	96,441	101,344	41,153

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Agency Funds

Summary of Receipts and Disbursements

Regulatory Basis

For the Year Ended June 30, 2015

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Middle School				
Activity Club	\$ 1,885	1,481	621	2,745
Cheerleaders	511	-	-	511
Kids in Charge	1,595	1,349	1,387	1,557
Business Partners	333	-	-	333
Alcohol/Drug Prevention	1,795	-	-	1,795
Band Club	7,351	3,458	9,306	1,503
Vocal Music Club	4,992	2,777	6,179	1,590
Scholars Bowl	2,445	1,074	1,022	2,497
CMS Office Miscellaneous Revenue	2,082	-	238	1,844
Pop Fund	315	918	868	365
Total Middle School	23,304	11,057	19,621	14,740
High School Alumni Association	13,400	68,360	39,704	42,056
Total Agency Funds	\$ 82,760	175,858	160,669	97,949

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
 District Activity Funds
 Schedule of Receipts, Expenditures and Unencumbered Cash
 Regulatory Basis
 For the Year Ended June 30, 2015

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts							
High School							
Athletics	\$ 106,439	-	174,399	194,185	86,653	-	86,653
Concessions	7,722	-	5,514	6,312	6,924	-	6,924
Total High School	<u>114,161</u>	<u>-</u>	<u>179,913</u>	<u>200,497</u>	<u>93,577</u>	<u>-</u>	<u>93,577</u>
Middle School							
Athletics	23,772	-	16,744	16,767	23,749	-	23,749
Concessions	605	-	572	868	309	-	309
Total Middle School	<u>24,377</u>	<u>-</u>	<u>17,316</u>	<u>17,635</u>	<u>24,058</u>	<u>-</u>	<u>24,058</u>
Total Gate Receipts	<u>138,538</u>	<u>-</u>	<u>197,229</u>	<u>218,132</u>	<u>117,635</u>	<u>-</u>	<u>117,635</u>
School Projects							
High School							
Yearbook	12,238	-	14,380	11,605	15,013	-	15,013
Academic Contributions	819	-	1,216	-	2,035	-	2,035
Teachers Lounge	1,575	-	-	639	936	-	936
Memorials	699	-	-	-	699	-	699
Total High School	<u>15,331</u>	<u>-</u>	<u>15,596</u>	<u>12,244</u>	<u>18,683</u>	<u>-</u>	<u>18,683</u>
Middle School							
Industrial Arts	31	-	-	-	31	-	31
Yearbook	1,634	-	1,675	1,087	2,222	-	2,222
Food For Kids	506	-	700	511	695	-	695
Total Middle School	<u>2,171</u>	<u>-</u>	<u>2,375</u>	<u>1,598</u>	<u>2,948</u>	<u>-</u>	<u>2,948</u>
Grade School							
General - School	1,898	-	2,639	1,201	3,336	-	3,336
Art	1	-	-	1	-	-	-
Library	1,603	-	6,859	7,844	618	-	618
Supplemental Materials/Books	123	-	193	12	304	-	304
Playground Equipment Fundraiser	4,032	-	-	2,960	1,072	-	1,072
Music	532	-	250	-	782	-	782
Post Office	57	-	-	57	-	-	-
Teacher/Staff Special Occasions	255	-	340	138	457	-	457
Teachers PTO Grant	6,816	-	2,235	7,481	1,570	-	1,570
Teacher Vending	1,324	-	1,523	1,241	1,606	-	1,606
Total Grade School	<u>16,641</u>	<u>-</u>	<u>14,039</u>	<u>20,935</u>	<u>9,745</u>	<u>-</u>	<u>9,745</u>
Total School Projects	<u>34,143</u>	<u>-</u>	<u>32,010</u>	<u>34,777</u>	<u>31,376</u>	<u>-</u>	<u>31,376</u>
Total District Activity Funds	<u>\$ 172,681</u>	<u>-</u>	<u>229,239</u>	<u>252,909</u>	<u>149,011</u>	<u>-</u>	<u>149,011</u>

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Supplementary Information

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:

Unqualified

Internal control over financial reporting

- | | | | | |
|---|-------------------|-----|------------------|---------------|
| • Material weakness identified? | <u> </u> | Yes | <u> X </u> | No |
| • Significant deficiency identified? | <u> </u> | Yes | <u> X </u> | None reported |
| • Noncompliance material to financial statements noted? | <u> </u> | Yes | <u> X </u> | No |

FEDERAL AWARDS

Internal control over major programs:

- | | | | |
|--------------------------------------|-------------------|-----|------------------|
| • Material weakness identified? | <u> </u> | Yes | <u> X </u> |
| • Significant deficiency identified? | <u> </u> | Yes | <u> X </u> |

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB *Circular A-133*?

 Yes X No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553	School Breakfast Program
10.555	National School Lunch Program
84.010	Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

 Yes X No

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS

No material findings or questioned costs are required to be disclosed under OMB Circular A-133.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs are required to be disclosed under OMB Circular A-133.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

A. Material Weaknesses in Internal Control

2014-002

Information on the federal program

CFDA 10.553, 10.555, Child Nutrition Cluster, U.S. Department of Agriculture, passed through Kansas State Department of Education

Condition

The District's monthly and annual financial reports were not being reviewed by anyone; therefore, the annual report was filed with the state materially incorrect.

Recommendation

A process should be implemented where the Board Clerk is reviewing all reports filed with Kansas State Department of Education before the Food Service Director submits the report to ensure accuracy and completeness.

Current Status

The District implemented a review process before final reports were filed; therefore, the Annual Report for 2014-2015 appeared to be filed materially correct, so this item is no longer applicable.

2014-003

Information on the federal program

CFDA 10.553, 10.555, Child Nutrition Cluster, U.S. Department of Agriculture, passed through Kansas State Department of Education

Condition

The Food Service Director did not complete these on-site accountability reviews for the food service sites for the 2013-2014 school year.

Recommendation

We recommend the Food Service Director reviews reporting and compliance requirements with the Kansas Department of Education to ensure all requirements are being completed.

Current Status

The District completed on-site accountability review for the 2014-2015 school year, so this compliance item is no longer applicable.

B. Significant Deficiency in Internal Control

2014-004

Information on the federal program

CFDA 10.553, 10.555, Child Nutrition Cluster, U.S. Department of Agriculture, passed through Kansas State Department of Education

Condition

The District was not performing the edit check function on meal count forms to ensure reimbursement amounts were not being overstated.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2015**

2014-004 (continued)

Recommendation

Edit checks are a control implemented by KSDE in order to help the District identify dates when a meal reimbursement request may be overstated. It is important that the District use this control measure, investigate the reason why the edit check was exceeded, and document the reason why the meal count was high on that date. The edit check control will help the District report accurate meal counts to KSDE. Consistent inaccurate or overstated meal counts reported to KSDE could impact the District's funding for free and reduced meals.

Current Status

We found that edit checks were being used properly for the 2014-2015 school year. This item is no longer applicable.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Agriculture			
Passed Through Kansas State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	N/A	\$ 18,963
National School Lunch Program	10.555	N/A	<u>167,080</u>
Total Child Nutrition Cluster			186,043
State Administrative Expenses for Child Nutrition	10.560	N/A	150
Farm to School Grant Program	10.575	N/A	<u>100</u>
Total U.S. Department of Agriculture			<u>186,293</u>
U.S. Department of Education			
Passed Through Kansas State Department of Education			
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	84.010	N/A	112,910
Title II - Improving Teacher Quality			
Title II - Improving Teacher Quality State Grants	84.367	N/A	44,681
Migrant Education-State Grant Program	84.011	N/A	25,000
Twenty-First Century Community Learning Centers	84.287	N/A	89,378
Career and Technical Education- Basic Grants to States	84.048	N/A	<u>41,392</u>
Total U.S. Department of Education			<u>313,361</u>
U.S. Department of Health and Human Services			
Passed Through Kansas State Department of Education			
Medical Assistance Program	93.778	N/A	<u>9,549</u>
Total Expenditures of Federal Awards			<u>\$ 509,203</u>

See accompanying notes to schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 315 Colby, Kansas**, and is presented on the basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.